## **EXHIBIT A**



# Physicians' Online

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## Handout

Christian Mayaud, MD
Chief Executive Officer

**Steven Hochberg**Chief Operating Officer

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PHYSICIANS' ONLINE, Inc.

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"The success of managed care will probably depend on the ability of these organizations to influence physicians' choices in the direction of increased value."

-- John K. Iglehart. Managed Care. N Engl J Med 1992; 327: 742.

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## I - The Executive Summary

Physicians' Online is a personalized online medical information and communications service dedicated to empowering physicians with the tools essential to advance the quality and control the cost of health care through informed decision-making.

Physicians' Online ("Company") is an innovative new electronic medium designed to evolve into a comprehensive national medical information and communications network servicing the entire health care industry. The Company's online information products and communication services provide physicians with powerful tools to manage Medical Knowledge, Prescriptions, and Patients. Physicians' Online provides a distribution outlet for third-party produced information products and services. Physicians' Online also provides valuable proprietary information services to other industry participants including managed care organizations and the pharmaceutical industry.

Phase I - Medical Knowledge Management

Online medical information and communication services which are readily accessible and free of charge to member physicians through optional online advertising support. The Company has assembled the most powerful, yet userfriendly, collection of medical information tools available from leading third-party sources. The core information products target three key areas of identified information need, including medical literature (MEDLINE), medical diagnosis (QMR), and drug information (USP). Physicians' Online is being developed in cooperation with major medical societies, pharmaceutical manufacturers & marketing organizations, hospitals, managed care organizations, and leading technology & third-party content providers.

Implementation: 1993 through 1994

Phase II - Prescription Management

Online prescription fulfillment and cost containment programs made possible through the use of "Smart Electronic Prescription Pads" (PDAs). This network is being developed in cooperation with managed care organizations, hospitals, pharmacists, pharmaceutical distributors, leading technology providers, and other health-care participants.

Implementation: 1994 through 1996

Phase III - Patient Management

Online patient information for efficient retrieval and transaction processing resulting in enhanced clinical and administrative efficiency and cost-containment. This network is being developed in cooperation with corporate employee benefits programs, private health insurance carriers, out-patient laboratories, electronic claims processors, installment credit organizations, hospitals, and other health care participants.

Implementation: 1995 through 1997

The Company's competitive advantage is based on its ability to attract physician use. Founded by practicing physicians with extensive experience delivering practical information products to busy clinicians, the Company has developed a market-driven product strategy designed to win maximum professional acceptance and use. The Company is establishing critical strategic alliances with leading participants in every major health care market segment. The Company is currently working with several leading content and service providers to develop new products and services for this expanding multi-billion dollar market opportunity.

### Physicians' Online: 5 Year Plan

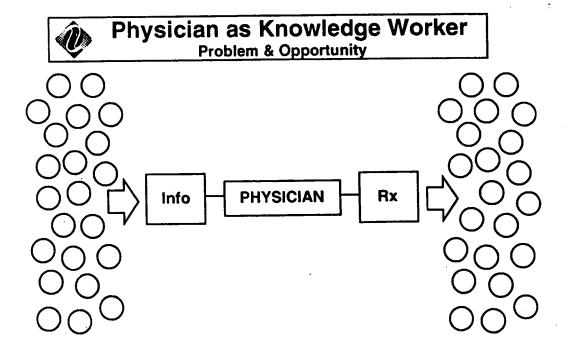
To empower physicians with the tools essential to advance the quality and control the cost of health care through informed decision-making.

|                              | Phase I   | Phase II  | Phase III   |
|------------------------------|---|---|---|
| Time Frame                   | 0 - 2 yr  | 1 - 4 yr  | 3 - 5 yr  |
| Essential Tools              | Medical Knowledge Management  | Prescription Management   | Patient Management  |
| Vehicle                      | Physicians' Online  | Pharmacists' Online<br>Pharm Reps' Online<br>Formularies Online<br>Managed Care Online  | National Health Card Network  |
| Potential<br>Membership      | 500,000 physicians<br>10,000 pharmaceutical execs   | 300,000 physician offices<br>100,000 pharmacies<br>50,000 drug reps   | 250 million patients<br>10,000 hospitals<br>other health care participants  |
| Core Markets                 | MEDLINE<br>Rx Micromarketing  | Prescription Fulfillment<br>Rx Cost-Containment   | Patient Administration Cost-<br>Containment Programs  |
| Market Size                  | \$50 million / \$7 billion  | >\$70 billion   | >\$500 billion  |
| Market Size/MD               | \$500 / \$15,000  | >\$150,000  | >\$1,000,000  |
| Secondary<br>Markets         | Clinical Databases     Decision-Support Tools     News & Financial Services     Special Interest Forums     other areas of identified need  | Home Care Managed Care Formularies Pharmacy Network "Electronic Detailing" & Rep Support  | Electronic Patient Record     Outpatient Laboratory Transactions     Patient Health Maintenance   |
| Main Revenue<br>Sources      | Pharmaceutical Advertising     Pharmaceutical Micromarketing Information     Membership & Usage Fees  | Prescription Processing     Micromarketing Information     Membership & Usage Fees  | <ul> <li>Patient Transaction Processing</li> <li>Communication Services</li> <li>Micromarketing Information</li> <li>Membership &amp; Usage Fees</li> </ul>   |
| Competitive<br>Advantage     | "Medical Info Vending Machines"     Sophisticated MD Targeting ("Ad Wizard"/ "Smart Ads")     Installed Terminals, PDAs, & PCs     Computer-Sophisticated Members     Medical Society Support     Pharmaceutical Industry Support     Third-Party Office Systems Support     Pharmaceutical Executives' Online     User-Friendly Interface     Proprietary Text-Retrieval Software     Proprietary Psychometric Mktg Data | "Smart Electronic Prescription Pads" (PDAs)     Installed Terminals, PDAs, & PCs     Automated Prescriber Assistance Programs     Proprietary managed care applications     National Electronic Formularies     Proprietary Prescriber Profiling     Patient Prescription Profiles     Proprietary Psychometric Marketing Data  | "National Health Card"     Installed-base of diverse POS/PON entry-points linking integral industry participants     Electronic Patient Transactions Network     Third-Party Office Systems Support     Hospital Systems Support     Cellular Communications link to Physicians                                 |
| Strategic<br>Alliances       | <ul> <li>Medical &amp; Professional Societies</li> <li>Pharmaceutical Companies</li> <li>Pharmaceutical Marketing Cos</li> <li>Prescription Data Marketing<br/>Companies (IMS/ MMG/ PMS)</li> <li>Third-party Content Providers (NLM/<br/>Camdat/ USP)</li> <li>Medical Office System Companies</li> <li>Technology Providers (CompuServe/<br/>Sybase/ Conquest/ Coconut/ Apple/<br/>Sun/ HP/ Cube)</li> </ul>            | <ul> <li>Prescription Fulfillment Companies (Medco)</li> <li>Pharmacies/Pharmacist Societies</li> <li>Managed Care Organizations</li> <li>HMOs/ PPOs/ IPAs</li> <li>Hospital Chains</li> <li>Hospital Formularies</li> <li>Corp Employee Benefits Programs</li> <li>Medical Office System Companies</li> <li>Technology Providers (AT&amp;T/ Apple/EO/ Motorola/ HP)</li> </ul> | Corp Employee Benefits Programs Private Health Insurance Carriers BC/BS/Medicaid/ Medicare Out-Patient Labs (MetPath/BioScience/ SKF/ NHL) Outpatient Testing Companies Installment Credit Organizations Electronic Claims Processing & Clearing Houses (NEIC/ EDS) Medical Office & Hospital Systems Companies |
| Critical<br>Technologies     | Systems Integration of existing hardware & software technology     Packet Data Network technology     Simple Text Retrieval Software     Third-party Content Development  | "Personal Digital Assistants" (PDAs)     Data network technology     Proprietary PDA applications development     Personal Info Management (PIM)  | Systems Integration     Proprietary patient administration & cost-containment applications development     Cellular data network technology   |
| Infrastructure<br>Milestones | <ul> <li>150,000 physician members</li> <li>5,000 hospital members</li> <li>5,000 hospital-based terminals</li> <li>5,000 PDAs in Physician Offices</li> <li>150,000 additional POL software installations</li> </ul>   | <ul> <li>300,000 physician members</li> <li>10,000 hospital members</li> <li>20,000 hospital-based terminals</li> <li>100,000 PDAs in Physician Offices</li> <li>10,000 mobile PDAs</li> <li>500,000 additional POL software installations</li> </ul>   | 500,000 physician members     10,000 hospital members     50,000 hospital-based terminals     300,000 PDAs in Physician Offices     400,000 mobile PDAs     800,000 additional POL software installations   |
| Infrastructure \$            | \$10,000,000  | \$50,000,000  | \$250,000,000   |
| Infrastruct\$/ MD            | \$100   | \$200   | \$500   |





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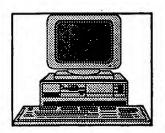


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## **PCs in Health Care**

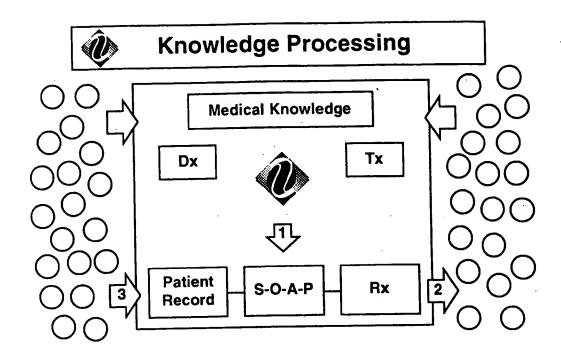


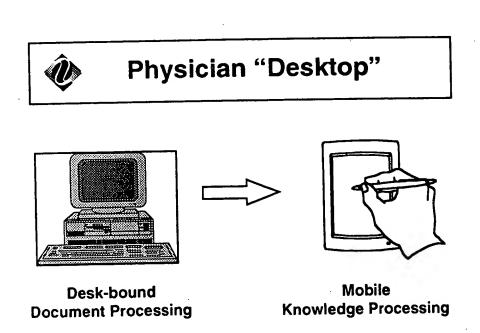
Desk-bound
Document Processing

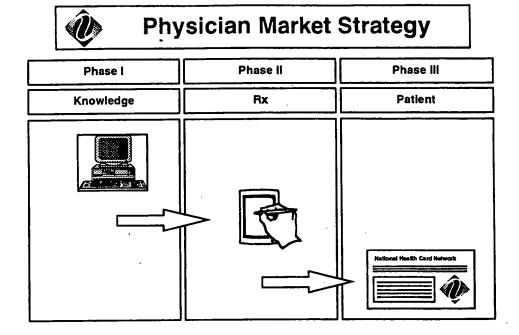
## **Barriers to Physician Use**

- Price
- Access
- Ease of Use
- Awareness
- Time







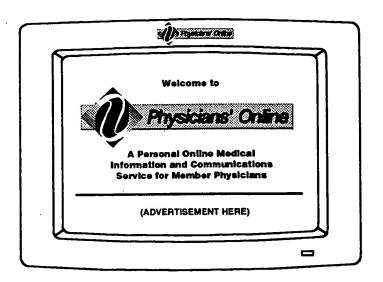


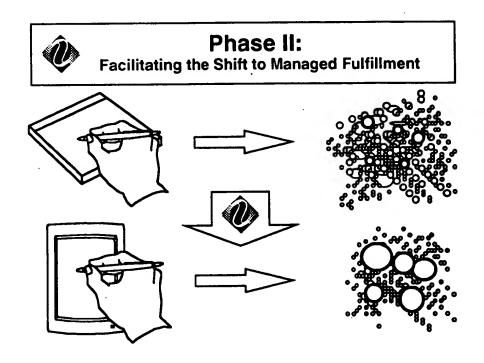
## **Strategic Alliances**

- Phase by Phase Sector by Sector Cooperative Participation
- Cooperative vs Competitive

  Market Growth vs Market Share
- Physician "Desktop" Control
   First Mover Advantage
   Physician Use: All or Nothing

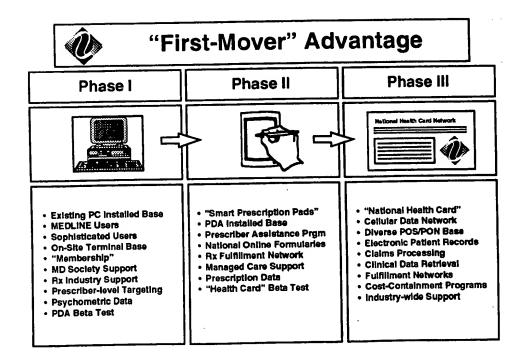






## **Keys to Success**

- Physician Membership & Use
- Market-driven not Technology-driven
  - Systems Integrator of Existing & Leading Technology
  - "Physician-centric" Market Strategy
- Integral Industry Participation
- "First-Mover" Advantage





## Physicians' Online

A personalized online medical information & communications service dedicated to empowering physicians with the tools essential to advance the quality and control the cost of health care through informed decision-making.

### **Areas for Potential Collaboration**

### **MEDCO:**

### "Smart Electronic Prescription Pads"

- Online Prescription Fulfillment
- Online Prescription Claims Processing
- · Pharmacists' Online

### **Online Cost-Containment Programs**

- Online Formularies
  - -- NATIONAL FORMULARY STANDARD
  - -- Formulary Management Programs
- Online "Prudent Prescriber" Programs
  - -- Personal Prescribing Profiles
  - -- Comparison with National Standards

### MMG:

### **Physician Targeting**

- "Smart" Ads / Ad Wizard
  - -- Prescriber Data Linkages
  - -- Context-Sensitive (Static / Dynamic)
- E-mail
- Single-Sponsor Services
- Special Programming

### Proprietary Prescriber-level Data

- · Psychometric
  - -- Interactive/Survey
  - -- Online Behavior Surveillance
    Ad Interactions
    Database Interations
    Concept Indexing
- Prescription Data

### **Detailing Support**

- Rx Sampling Fulfillment
- Pharm Reps' Online
- · Company Forums